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MORE JOBS IN U.S. ECONOMY

ANNCR:

DESPITE PROBLEMS WITH ENERGY, INFLATION AND THE DOLLAR'S STRENGTH OVERSEAS, THE STEADY RISE IN U.S. EMPLOYMENT THIS YEAR IS ENCOURAGING FOR THE ECONOMY. VOA BUSINESS AND ECONOMICS EDITOR FRANK FEINBERG HAS THIS BACKGROUND REPORT:

VOICE:

DURING JANUARY AND FEBRUARY MORE THAN SIX-HUNDRED THOUSAND NEW WORKERS WERE ADDED TO PAYROLLS IN THE UNITED STATES. THE IMPROVEMENT IN TJE JOB MARKET REDUCED THE UNEMPLOYMENT RATE LAST MONTH TO SIX POINT ONE PERCENT OF THE U.S. WORK FORCE. THAT'S THE LOWEST RATE IN THREE YEARS.

ALTHOUGH MORE THAN NINETY-THREE AMERICANS NOW ARE GAINFULLY EMPLOYED, THE CREATION OF MORE JOBS FOR THE SIX-MILLION PERSONS STILL SEEKING WORK IS A TOP PRIORITY FOR ECONOMIC POLICYMAKERS. THE CARTER ADMINISTRATION WOULD LIKE TO BRING THE UNEMPLOYMENT RATE DOWN TO ABOUT FIVE PERCENT BY 1980.

REDUCING UNEMPLOYMENT ENTAILS OVERCOMING TWO BASIC PROBLEMS. FIRST, BRINGING DOWN THE OVERALL RATE PROBABLY CAN BE ACCOMPLISHED ONLY THROUGH GOVERNMENT AND BUSINESS POLICIES THAT ACCELERATE THE ENTIRE ECONOMY'S EXPANSION. THE SECOND PROBLEM IS THE UNEVEN DISTRIBUTION OF JOBLESSNESS. THE HARDEST AFFECTED ARE THE YOUNG, MEMBERS OF MINORITIES AND WOMEN. INDEED, THREE MILLION OF THE UNEMPLOYED ARE UNDER THE AGE OF TWENTY-FOUR. MANY CANNOT FIND WORK BECAUSE THEY LACK THE SKILLS OR EDUCATION NEEDED FOR UNFILLED JOB OPENINGS. OTHERS AMONG THE JOBLESS ARE NOT WORKING, BECAUSE JOBS ARE LACKING IN THE LOCALITIES WHRE THEY LIVE.

(OPT) MOST PROPOSALS TO ALLEVIATE UNEMPLOYMENT ADDRESS THESE PROBLEMS SEPARATELY. SOME PROPOSALS ARE TIED TO OVERALL EXPANSION OF THE ECONOMY, WHILE OTHERS FOCUS SPECIFICALLY ON THE TRAINING AND HIRING OF YOUTH AND MINORITIES. THE CONGRESS IS CONSIDERING SEVERAL PROPOSALS THAT ARE ALSO ENDORSED IN WHOLE OR IN PART BY THE CARTER ADMINISTRATION AND BUSINESS AND LABOR ORGANIZATIONS. (END OPT)

PRESIDENT CARTER AND MANY LEGISLATORS FAVOR TAX CUTS AS AN ECONOMIC STIMULANT TO CREATE JOBS. THE CUTS WOULD APPLY BOTH TO BUSINESSES AND INDIVIDUALS, AND CURRENT CONGRESSIONAL DEBATE CENTERS ON HOW LARGE THE TAX REDUCTIONS SHOULD BE.

ANOTHER IDEA FOR INCREASING EMPLOYMENT IS WAGE SUBSIDIES, TARGETED TO AREAS OF HIGH UNEMPLOYMENT. EMPLOYERS WOULD RECEIVE GOVERNMENT SUBSIDIES FOR HIRING UNSKILLED WORKERS, WHO WOULD BE PAID AT LEAST THE PREVAILING MINIMUM WAGE FOR THE WORK THEY PERFORMED. THE CARTER ADMINISTRATION HAS ASKED FOR TWO-HUNDRED-FIFTY MILLION DOLLARS IN FISCAL YEAR 1979--BEGINNING NEXT OCTOBER--TO ENCOURAGE PRIVATE INDUSTRY TO HIRE AND TRAIN THE HARD-TO-EMPLOY.

IN JANUARY THE U.S. LABOR DEPARTMENT GAVE FINANCIAL GRANTS TO SIX CITIES TO ENABLE LOCAL GOVERNMENTS TO HIRE OUT-OF-WORK YOUNG PEOPLE FROM LOWER-INCOME FAMILIES. THEY MAINLY WILL WORK AT PUBLIC SERVICE JOBS IN CITIES AND CONSERVATION CHORES IN RURAL FORESTS AND PARKS.

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